

tures, requesting passage of S. 265, a bill to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

1784. By Mr. GOFF: Petition of Mrs. F. O. Brocke and 105 others, urging passage of S. 265, a bill to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

1785. By Mr. HART: Petition of the American Legion, Department of New Jersey, expressing opposition to any reduction or curtailment of services or benefits to veterans of World Wars I and II; to the Committee on Appropriations.

1786. By Mr. NORBLAD: Petition signed by Mrs. Ethel Ayers and 49 other citizens of Corvallis, Oreg., endorsing a system of universal military training, as recommended by the President's Advisory Commission on Universal Training; to the Committee on Armed Services.

1787. By the SPEAKER: Petition of W. A. Naurman, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1788. Also, petition of F. A. Winchell, Miami, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1789. Also, petition of Mrs. F. A. Winchell, Miami, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1790. Also, petition of Mrs. G. E. Knapp, Orio Vista, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1791. Also, petition of Pfc. W. C. Farrell, APO 169, care of Postmaster, New York, N. Y., petitioning consideration of his resolution with reference to endorsement of universal military training; to the Committee on Armed Services.

## SENATE

MONDAY, APRIL 19, 1948

(Legislative day of Monday, March 29, 1948)

The Senate met at 11:30 a. m., on the expiration of the recess.

Rev. Clarence W. Cranford, pastor of the Calvary Baptist Church, Washington, D. C., offered the following prayer:

We cannot enter this room, our Father, without realizing that the lives of millions of people are affected by the decisions that are made here. If ever anyone needed divine guidance, surely it is those who have the responsibility of leading America in these critical days of the world's history. Seeing, therefore, that they are compassed about with so great a cloud of witnesses around the world, help these who are the lawmakers of our land to face with patience the tasks that are set before them, looking unto Thee for inspiration and guidance. And may the reward of their labors be a peaceful world. We pray in Jesus' name. Amen.

XCIV—288

## THE JOURNAL

On request of Mr. WHERRY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 15, 1948, was dispensed with, and the Journal was approved.

## LEAVE OF ABSENCE

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senator from Kentucky [Mr. COOPER] be granted leave to be absent from the Senate through Wednesday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 6226) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1948, and for other purposes, in which it requested the concurrence of the Senate.

## ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 3703. An act to authorize transfer of surplus real property to the jurisdiction of the Department of the Interior for consolidation of Federal holdings within areas administered by the National Park Service; and

H. R. 4326. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

## ORDER FOR RECESS TO NOON TUESDAY

Mr. WHERRY. Mr. President, I ask unanimous consent that when the Senate concludes its business for today it take a recess until 12 o'clock noon tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMEMORATION OF FIFTIETH ANNIVERSARY OF LIBERATION OF CUBA—JOINT SESSION OF THE TWO HOUSES

Mr. WHERRY. Mr. President, I should like to make an announcement for the benefit of the Senate. Under House Concurrent Resolution 184, the Senate will go to the Hall of the House of Representatives where a joint session of the two Houses will be held in commemoration of the fiftieth anniversary of the liberation of Cuba. It is the intention that the Senate shall proceed to the Hall of the House in a body and shall return to the Senate Chamber and reassemble immediately after the ceremonies are concluded.

After the Senate reassembles, there will be an opportunity for Senators to make insertions in the Record and for any other business the Senate may desire to transact.

I now suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Bricker	Butler
Baldwin	Bridges	Byrd
Ball	Brooks	Cain
Barkley	Buck	Capehart
Brewster	Bushfield	Capper

Chavez	Johnston, S. C.	Pepper
Cordon	Kem	Reed
Donnell	Kilgore	Revercomb
Downey	Knowland	Robertson, Va.
Dworschak	Langer	Robertson, Wyo.
Eastland	Lodge	Russell
Eaton	Lucas	Saltonstall
Ellender	McCarran	Stennis
Ferguson	McCarthy	Stewart
Flanders	McClellan	Taft
Fulbright	McFarland	Thomas, Okla.
George	McGrath	Thomas, Utah
Green	McKellar	Thye
Gurney	McMahon	Tobey
Hatch	Malone	Tydings
Hawkes	Martin	Vandenberg
Hayden	Maybank	Watkins
Hickenlooper	Millikin	Wherry
Hoey	Moore	White
Holland	Morse	Wiley
Ives	O'Connor	Williams
Jenner	O'Daniel	Wilson
Johnson, Colo.	Overton	Young

Mr. WHERRY. I announce that the Senator from Kentucky [Mr. COOPER] is absent by leave of the Senate on official business.

The Senator from New Jersey [Mr. SMITH] is absent on official business.

Mr. LUCAS. I announce that the Senator from Texas [Mr. CONNALLY] is absent because of illness.

The Senator from Alabama [Mr. HILL], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Alabama [Mr. SPARKMAN] are absent by leave of the Senate.

The Senator from North Carolina [Mr. UMSTEAD] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Under the order of the day, the Senate will proceed to the Hall of the House of Representatives.

Thereupon, at 11 o'clock and 41 minutes a. m., the Senate, preceded by its Secretary (Carl A. Loeffler), its Sergeant at Arms (Edward F. McGinnis), and the President pro tempore proceeded to the Hall of the House of Representatives to attend the ceremonies commemorative of the fiftieth anniversary of the liberation of Cuba.

The joint meeting of the two Houses having been dissolved, the Senate returned to its Chamber at 12 o'clock and 45 minutes p. m. and was called to order by the President pro tempore.

The PRESIDENT pro tempore. The Chair would like to express on behalf of the Senate to the distinguished Senator from Pennsylvania [Mr. MARTIN] and his associates the Senate's gratitude for the very able manner in which today's ceremonies were planned and executed. [Applause.]

## EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED PROVISION PERTAINING TO APPROPRIATION FOR NATIONAL MEDIATION BOARD (S. Doc. No. 147)

A communication from the President of the United States, transmitting a draft of



a proposed provision pertaining to an appropriation for the National Mediation Board, fiscal year 1948 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### TRANSFER BY NAVY DEPARTMENT OF NAVAL PICKET BOATS TO DEPARTMENT OF CONSERVATION OF NEW JERSEY

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, that the Department of Conservation of the State of New Jersey had requested the Navy Department to transfer two picket boats for use by the division of shell fisheries of that organization; to the Committee on Armed Services.

EDWIN B. ANDERSON

A letter from the Postmaster General, transmitting a draft of proposed legislation for the relief of Edwin B. Anderson, a city letter carrier in the post office at Newton, Iowa (with accompanying papers); to the Committee on the Judiciary.

#### REPORT OF ALASKA OCEAN TRANSPORTATION ACTIVITIES

A letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, the third report of Alaska ocean transportation activities (with accompanying papers); to the Committee on Interstate and Foreign Service.

#### PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Southern Council on International Relations, at Louisville, Ky., favoring the enactment of legislation extending the Reciprocal Trade Agreement Act; to the Committee on Finance.

The memorial of Morde Scher, of New York, N. Y., remonstrating against the enactment of legislation providing for the draft and universal military training; to the Committee on Armed Services.

A letter from Ralph W. Sockman, minister of Christ Methodist Church, New York City, N. Y., transmitting a statement adopted by more than 125 representative Christian leaders from 20 different States and 12 denominations in meeting assembled at Washington, D. C., relating to world peace (with an accompanying paper); to the Committee on Armed Services.

#### EXECUTIVE REPORTS OF A COMMITTEE

As in executive session.

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

Frank Golden, of Nebraska, to be United States marshal for the district of Nebraska, vice George E. Prouditt, resigned; and

Julius J. Wichser, of Indiana, to be a United States marshal for the southern district of Indiana.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2510. A bill to provide for certain administrative expenses in the Post Office Department, including retainment of pneumatic tube systems, and for other purposes; to the Committee on Post Office and Civil Service.

(Mr. CHAVEZ introduced Senate bill 2511, repealing section 202 (e) of the Sugar Act of 1948, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. IVES:

S. 2512. A bill for the relief of Ion Stanesco and Catherina Stanesco; and

S. 2513. A bill for the relief of Sabina N. Heliczger; to the Committee on the Judiciary.

By Mr. ROBERTSON of Wyoming:

S. 2514. A bill to extend for 1 year the temporary price support program for wool; to the Committee on Agriculture and Forestry.

#### SUGAR ACT OF 1948

Mr. CHAVEZ. Mr. President, just a short while ago we heard these words from the President of the United States:

The challenge of our time, like the one met so successfully by those we honor today, tests the mettle of men and their institutions of government.

In order to carry out that idea I ask unanimous consent to introduce for appropriate reference a bill to repeal section 202 (e) of the Sugar Act of 1948.

There being no objection, the bill (S. 2511) repealing section 202 (e) of the Sugar Act of 1948, introduced by Mr. CHAVEZ, was received, read twice by its title, and referred to the Committee on Finance.

#### HEARINGS BEFORE THE COMMITTEE ON ARMED SERVICES—INCREASE IN LIMIT OF EXPENDITURES

Mr. GURNEY submitted the following resolution (S. Res. 224), which was referred to the Committee on Armed Services:

*Resolved*, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the Eightieth Congress, \$5,000 in addition to the amount, and for the same purpose, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

#### COORDINATED AGRICULTURAL PROGRAM—AMENDMENT

Mr. LUCAS (for Mr. MAGNUSON) submitted an amendment intended to be proposed by Mr. MAGNUSON to the bill (S. 2318) to provide for a coordinated agricultural program, which was referred to the Committee on Agriculture and Forestry, and ordered to be printed.

#### HOUSE BILL REFERRED

The bill (H. R. 6226) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1948, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

#### ABANDONMENT OF PEACE-MAKING PRINCIPLES—ADDRESS BY SENATOR MILLIKIN

[Mr. BRICKER asked and obtained leave to have printed in the RECORD an address delivered by Senator MILLIKIN before the Ohio Federation of Republican Women's Organizations at Toledo, Ohio, April 12, 1948, which appears in the Appendix.]

#### CIVIL RIGHTS—ADDRESS BY SENATOR EASTLAND

[Mr. STENNIS asked and obtained leave to have printed in the RECORD an address delivered by Senator EASTLAND before the American Society of Newspaper Editors, which appears in the Appendix.]

#### THE MORE ABUNDANT LIFE—ADDRESS BY L. F. WHITEMORE

[Mr. BALDWIN asked and obtained leave to have printed in the RECORD an address on "The More Abundant Life," delivered by L. F. Whittemore at the thirty-first annual convention of the American Brush Manufacturers' Association, at Atlantic City, N. J.,

April 14, 1948, which appears in the Appendix.]

#### MISTAKES OF BUSINESSMEN IN POLITICS—ARTICLE BY JAMES A. FARLEY

[Mr. ROBERTSON of Virginia asked and obtained leave to have printed in the RECORD an article entitled "Mistakes Businessmen Make in Politics," written by Hon. James A. Farley, and published in the April 1948 issue of the Nation's Business, which appears in the Appendix.]

#### RECIPROCAL TRADE AGREEMENTS—EDITORIAL FROM THE RICHMOND TIMES-DISPATCH

[Mr. ROBERTSON of Virginia asked and obtained leave to have printed in the RECORD an editorial entitled "The Trade Pacts Hang in the Balance," published in the Richmond (Va.) Times-Dispatch of Sunday, April 18, 1948, which appears in the Appendix.]

#### DAIRYMEN PROTEST AT MARGARINE PUBLICITY—LETTER BY E. S. TRASK

[Mr. DWORSHAK asked and obtained leave to have printed in the RECORD a letter relating to the proposed repeal of oleomargarine taxes, addressed to Life magazine by E. S. Trask, of Idaho Falls, Idaho, which appears in the Appendix.]

#### ROLE OF THE AIR FORCE IN AN ADEQUATE DEFENSE

Mr. KNOWLAND. Mr. President, this is a week of decision in Italy. The people in that country have had a chance to stand up and be counted for freedom. Many in the world no longer have such an opportunity. Within this week we shall know if the people of Italy have joined with other believers in free institutions to turn back the Red tide of totalitarianism or have allowed themselves to be engulfed.

We in the United States cannot afford the luxury of continued delay in reaching basic decisions relative to our national defense. Too many months, days, and hours have already passed. The timetable of the Kremlin may long since have been placed in operation.

Of one thing we may be certain. Prior to any overt moves in Europe, an attempt will be made to distract us by outbreaks in Central and South America, of which recent events in Bogotá are but a slight sample. Simultaneously attempts will be made to paralyze the industry and commerce of this Nation.

If the world had paid more attention to Adolf Hitler's Mein Kampf it might have been possible to block his ruthless aggression before he overwhelmed most of Europe.

Recently, I have reread Problems of Leninism, by Joseph Stalin. I call attention to the following paragraphs from that book, published in this country in 1934:

Replying to those who confuse the dictatorship of the proletariat with popular, elected, and nonclass government, Lenin states: "The class which has seized political power has done so conscious of the fact that it has seized power alone. This is implicit in the concept of the dictatorship of the proletariat. This concept has meaning only when one class knows that it alone takes political power in its own hands, and does not deceive either itself or others by talk about popular, elected government, sanctified by the whole people" (Collected Works, vol. XXVI, p. 286, Russian edition).

Pointing to one of the most important aims of the dictatorship, namely, the sup-



pression of the exploiters, Lenin states: "The scientific concept, dictatorship, means nothing more nor less than power which directly rests on violence, which is not limited by any laws or restricted by any absolute rules."

On page 51 of his book, Stalin says:

Well, and what is to be done with the minority, if it does not wish, if it does not agree to submit voluntarily to the will of the majority? When the party enjoys the confidence of the majority, can it and should it force the minority to submit to the will of the majority? Yes, it can and it must.

Further on, at page 57, the following paragraph appears:

(b) On the few occasions that Lenin was obliged, in controversy with opponents, to speak of the dictatorship of the party, he usually referred to the dictatorship of one party, that is, to the fact that our party holds power alone, that it does not share power with other parties.

The final quotation from this book that I intend to read today, found on page 66, is one in which Stalin repeats the statement of Lenin on the inevitability of conflict with non-Soviet states:

We are living—

Lenin writes—

not merely in a state, but in a system of states; and it is inconceivable that the Soviet Republic should continue to exist for a long period side by side with imperialist states. Ultimately one or the other must conquer. Meanwhile a number of terrible clashes between the Soviet Republic and the bourgeois states is inevitable. This means that if the proletariat, as the ruling class, wants to and will rule, it must prove it also by military organization (Collected Works, vol. XXIV, p. 122, Russian edition).

This is no time for our Nation to kid itself. The danger is too great and the stakes are too high.

An adequate national defense is costly insurance, but the cost is not nearly so high as having this Nation subjected to the dictates of a ruthless aggressor. In the age in which we now live, the civilian population is subject to all the hazards of the military. Nor does the penalty of defeat end with a cease-fire order. Reparation payments of the industrial plants could mean for a modern nation that its progress and prosperity would be set back for half a century.

Winston Churchill, in his War Memoirs, now being published in this country, has this to say regarding British air power:

It would have been possible in 1933, or even in 1934, for Britain to have created an air power which would have imposed the necessary restraints upon Hitler's ambition, or would perhaps have enabled the military leaders of Germany to control his violent acts. More than five whole years had yet to run before we were to be confronted with the supreme ordeal. Had we acted even now with reasonable prudence and healthy energy, it might never have come to pass.

Later on in his memoirs, Churchill says:

Very considerable efforts were made by the British Government in the next 4 years, and there is no doubt that we excelled in air quality; but quantity was henceforth beyond us. The outbreak of the war found us with barely half the German numbers.

These words warrant a warning here and now. Once leadership in this field

is lost, it is very difficult to regain. The final paragraph I wish to quote from Winston Churchill's above-mentioned writings, is as follows:

After the loss of air parity we were liable to be blackmailed by Hitler. If we had taken steps betimes to create an air force half as strong again, or twice as strong, as any that Germany could produce in breach of her treaty, we should have kept control of the future. But even air parity, which no one could say was aggressive, would have given us a solid measure of defensive confidence in these critical years, and a broad basis from which to conduct our diplomacy or expand our Air Force. But we had lost air parity. And such attempts as were made to recover it were vain.

Let us now turn to two recent reports filed with the Congress of the United States. The first a report by the President's Air Policy Commission was published on January 1. On page 4 of this report, it states:

Our national security must be redefined in relation to the facts of modern war. Our security includes, as always, winning any war we may get into; but now it includes more than that. It includes not losing the first campaign of the war if the loss would mean that the country would be invaded and occupied.

On page 6, the Commission states:

Reluctantly this Commission has come to the conclusion that this relative security is to be found only in a policy of arming the United States so strongly (1) that other nations will hesitate to attack us or our vital national interests because of the violence of the counterattack they would have to face, and (2) that if we are attacked we will be able to smash the assault at the earliest possible moment.

On page 25 of the report, after reviewing the requirements of the air establishment, the Commission states:

We have concluded that the minimum force necessary at the present time is an Air Force composed of 12,400 modern planes, organized into 70 combat groups, and 22 special squadrons, supplemented by 27 National Guard groups and 34 groups of Air Reserve. All these forces, with the exception of the Air Reserve, must be equipped, trained, and ready for immediate action in the event of war. We should build to this force as rapidly as possible and once it is achieved, never permit it to drop below this level. Nor should we permit it to become impotent and ineffective because of failure to keep it modernized with the very best planes and equipment available.

On March 1, the Congressional Aviation Policy Board reported to the Congress of the United States. In the preface of that report the Policy Board says:

To defend ourselves in the age of atomic bombs, of radioactive dust, of bacteriological contamination and guided missiles—to mention some of the new and terrible weapons—we must have air power that is supreme. We cannot have less if we are to discourage attack or, if attacked, to defend ourselves.

There is one additional paragraph from the report of that Board which I wish to quote at this time. It is found on page 4 of the report, and reads as follows:

Therefore, it is the judgment of the Congressional Aviation Policy Board that the capability of the United States most likely to discourage an aggressor against attack

upon this Nation most effective in thwarting such an attack if launched, and most able to deal out retaliation to paralyze further attack, is air power.

Mr. President, I merely rise at this time to reiterate that the hour is getting very late. We have pending in the Armed Services Committee discussions as to an adequate defense program for this country. I firmly believe that it includes as a minimum requirement a 70-group Air Force. Of course we must have balanced armed forces. Certainly no one would claim that air power alone can solve all problems of defense. I submit, however, that we must not assume, if we should be so unfortunate as to become involved in serious trouble in the near future, that we shall be entirely without allies. Wherever they may be and in whatever country we may find them, they themselves will have some ground forces to furnish some protection to the air bases we would necessarily require. Frankly, Mr. President, for that reason I have not been able to agree with the statement of the Secretary of National Defense, who indicated that if we increase our air power from 55 groups to 70 groups, ipso facto we must thereby increase the Federal budget by some \$18,000,000,000. I do not believe, Mr. President, that those estimates will stand up under analysis.

Finally, I wish to say merely this, that the House of Representatives has acted on this matter. We have before us the reports of two commissions. I have read today some remarks by Mr. Churchill pointing out that probably the results in Great Britain of not being adequately prepared in the air had a great deal to do with the aggressive acts of Adolf Hitler.

I have read some extracts from a book written some years ago by Joseph Stalin reiterating the doctrines of Lenin. These indicate, I think, that the Communists have believed, since the days of Karl Marx, as a matter of fact, that the world cannot continue half slave and half free, and they are determined that the half free part will not long continue to exist.

Under those circumstances, Mr. President, I feel that the Congress of the United States would be remiss in its duties if it did not proceed forthwith to put our defenses in top-flight order.

#### PUBLIC HOUSING

Mr. FLANDERS. Mr. President, during the course of the hearings on the housing bill before the Committee on Banking and Currency I made certain references to a conversation with Mr. Frank W. Cortright, executive vice president of the National Association of Home Builders. Mr. Cortright has taken exception to my remarks as printed in the record of the hearings. I think it is due him that the correspondence should be printed in the RECORD, since there is no possibility now of having it put into the hearings. I therefore ask permission to have the excerpt from the hearings printed in the body of the RECORD, followed by Mr. Cortright's letter to me, followed, in turn, by my reply to him.



There being no objection, the matters were ordered to be printed in the RECORD, as follows:

EXCERPT FROM HOUSING HEARINGS BEFORE THE COMMITTEE ON BANKING AND CURRENCY, UNITED STATES SENATE (P. 162, MARCH 31-APRIL 1, 1948)

The CHAIRMAN. Senator FLANDERS has the floor.

Senator FLANDERS. I would like to introduce a piece of pertinent testimony. Mr. Cortright, of the National Association of Home Builders, which has been opposed to public housing, told Representative KENNEDY and myself, after we had engaged in one of these Roman holidays on the radio, that he or his organization, or let us say "he," just to make sure that I do not put words into his mouth that he did not use, would not object to any public housing which was provided solely for those who had incomes so low that they could not rent decent housing now available, or privately provided for.

And this bill takes great care in that situation. There will be no one eligible for the public housing provided by this bill who can afford on his own to rent decent accommodations.

NATIONAL ASSOCIATION OF  
HOME BUILDERS,  
Washington, D. C., April 6, 1948.

HON. RALPH E. FLANDERS,  
Room 311, Senate Office Building,  
Washington, D. C.

DEAR SENATOR FLANDERS: I have just received a stenographic transcript of the hearings before the Senate Banking and Currency Committee on the amended Taft-Ellender-Wagner bill, S. 866.

I am astonished to read in this transcript your reference to me and to certain of my remarks following our recent debate on public housing.

In my opinion, your statement is inaccurate and out of place.

The transcript quotes you as saying, "I would like to introduce a piece of pertinent testimony." You then refer to me and to our association "which has been opposed to public housing" and conclude by intimating that I would not object to public housing provided solely for those "who had incomes so low that they could not rent decent housing now available, or privately provided for."

First, you certainly had no authority to "introduce testimony" in my behalf.

Secondly, having publicly debated the subject with great vigor for 30 minutes, you know that we are opposed to public housing—it is not a case of the past tense in any sense of the word.

Third, in talking to you and Representative KENNEDY you will recall that I put particular emphasis on the following points:

1. That public housing in this country is a fraud—that the Congress approved it in 1937 believing that it would be made available to those most urgently in need of housing.

2. The facts disclose that this has never been done. Speaking generally, they have never accepted as tenants the indigent, the lowest income group, those on rent relief, or those dispossessed by the demolition of slum housing.

3. I said that the local public housing authorities have selected the cream of the lower income group—those with incomes above an established minimum amount and they refuse admission to those with income lower than this.

4. I said that our opposition to public housing was based on the fact that it has utterly failed in its purpose; that its cost of construction and maintenance has been far beyond that of private-enterprise construction and management; that it has been used for political purposes; that, if extended to house all of those in the lower-income groups, its cost could bankrupt the Federal Treasury.

5. I said that my position and that of many others would be somewhat different if public housing were made available to those in the direst need, and by that I meant the indigent and those unable to take care of themselves in securing food, clothing, and shelter (which help should be provided and administered by the community and not by the Federal Government).

I am sure you know that neither I, nor the National Association of Home Builders, have ever deviated to the slightest extent from our unalterable opposition to public housing. We have constantly said that public housing, as it has been used in Europe and in this country, is a definite attempt to socialize the housing industry. We have said that private enterprise can and is producing housing in various price brackets—that those in the lowest-income group who require financial assistance should be given such assistance on the local level to enable them to make the rental payments necessary for decent available housing; that it is uneconomic and unjust to other taxpayers to provide new housing for the lowest-income group.

I request, therefore, that you insert this letter in the record of the hearings so that there may be no misunderstanding of my remarks to you and no misunderstanding as to our unalterable opposition to public housing in its present or proposed form.

Sincerely yours,

FRANK W. CORTRIGHT,  
Executive Vice President.

APRIL 13, 1948.

MR. FRANK W. CORTRIGHT,  
National Association of Home Builders,  
Washington, D. C.

DEAR MR. CORTRIGHT: Reply to your letter of April 6 has been delayed longer than it should have been. As you request, I am prepared to insert your letter in full in the final record of the hearings and also to insert this letter of mine in reply.

What we were talking about, as I remember, was not what public housing has been in the past but what it should be. The amended bill now before the Congress is intended by its terms to eliminate your objections 1, 2, 3, and 4. I may have misunderstood you with relation to your objection No. 5. If you insist that a person or a family must have no income in order to be eligible to public housing, then I misunderstood you and most certainly disagree with you.

The purpose of public housing as provided for in this bill is to make sure it goes to those persons of such low income that public assistance is necessary, and it provides that public assistance in the form of subsidized housing.

There is in the bill no competition whatever with private initiative in the housing field. It is carefully drawn so that it operates only where private housing is unable to perform its social function.

Sincerely yours,

FEDERAL AID TO EDUCATION

Mr. BALDWIN. Mr. President, some days ago the Senate passed a bill providing for Federal aid to education. One of the arguments against the bill most loudly and lengthily discussed was on the question of Federal control of education. The proponents of the bill pointed out that under section 2 the States would be able to spend the money appropriated without let or hindrance by the Federal Government, but the States were absolutely guaranteed freedom of control over the expenditures of the funds appropriated by Congress.

The junior Senator from Connecticut at that time questioned not only the wisdom of that course on the part of Congress, but also the right and the power

of Congress to make an appropriation over the expenditure of which it had absolutely no control whatsoever.

The point the junior Senator from Connecticut was trying to make was that Congress could not properly grant Federal aid to education, the money to be expended in the States without any control whatsoever, without creating the possibility of great injustices all along the line.

This morning I have received a letter from Mr. Carter W. Atkins, who is executive director of the Connecticut Public Expenditure Council, Inc. The Public Expenditure Council is not a part of the State government. It is a corporation created by citizens of Connecticut to watch the expenditure of Federal funds, and I might add that, while I have not always been in agreement with its proposals, nevertheless I do feel that it has done some excellent work in the State.

I should like to read briefly from Mr. Atkins' letter. He says:

I have just received some information on conditions in some of the Southern States which I think will be of interest to you. Copies of News Letter, a regular publication by the Louisiana Department of Commerce and Industry, for last year, show that the commerce and industry board was regularly granting tax exemptions to new industries in sums of millions of dollars. In their News Letter dated May 1, 1947, it was reported that exemptions granted at that meeting brought the total of such exemptions since the previous December to approximately \$60,000,000 and that in addition thereto applications representing approximately \$60,000,000 more were on file awaiting approval. Subsequent issues during the year indicated that the total exemptions forecast were being allowed.

Thus, in granting these exemptions, which, by the way, were for a 10-year period, it is, of course, but logical to assume that the communities in which the new industries would be located would receive benefits from the increased employment and pay rolls. And it is possible that the additional wealth brought into the community would tend to offset the loss of revenues on the tax-exempt property. At the same time the State government was increasing its general-fund revenues. In the period from 1940 to 1947 the State revenues were increased from \$28,000,000 to \$96,000,000, or approximately 243 percent. At the end of their fiscal year in 1946 they reported in excess of \$20,000,000 general-fund balance. And yet for the period 1940 to 1946 they increased State aid to schools only 32 percent or approximately \$4,500,000, per year.

Under the proposed Federal aid to education program Louisiana would receive \$6,829,000 at a cost to them in their share of the Federal taxes of about \$2,730,000 which means that Connecticut and other New England States would be called upon to help finance a situation under which tax exemptions are being used to attract their industry. It is somewhat like asking us to pay for the privilege of depreciating our own economy.

We in the Connecticut Public Expenditure Council have never taken a position against the proper support of public schools. We did a great deal of work on our State-aid program in Connecticut under which we increased our State aid to schools in this biennium more than 300 percent. We believe that the economic development of the Southern States is highly important to the welfare of this country, but we are also sure that in Connecticut and the Industrial Northeast we must do all that we can to preserve the assets which we have.

The Louisiana bid for industry is being repeated in manner and degree in various other



States. For example, the town of Walnut Ridge, Ark., population 5,000, offered \$65,000 for a reliable manufacturer to establish a plant in that town which would employ between 400 and 500 workers. The last biennial report of the Mississippi Agricultural and Industrial Board lists several pages of bond issues voted to aid in financing industry. On the other hand, current ads in national magazines, such as last week's issue of United States News, tell a full-page story of the Middle South which is the term applied to the States of Arkansas, Louisiana, and Mississippi. That ad states that in those three States the individual income payments from 1939 to 1945 increased 145 percent as compared with an increase of 116 percent for the United States average, also that their bank deposits increased 231 percent from 1939 to 1945 as compared with the United States average increase of 143 percent. They go on to cite the extent of the rich natural resources of those States as indicative of the possibilities of future growth and increased wealth.

Now, under these conditions is there proper validity to the great cry of the proponents of Federal aid to education that the so-called poor States cannot finance their educational program from their own resources and we must have Federal aid in order to accomplish it? The facts of economics do not prove that there is a general need, and if there are areas so impoverished as to be unable to finance their schools within the resources of the State, some special consideration might be given them.

And, Mr. President, I am sure such consideration can be given them.

I do not desire to have it understood by these remarks, and the excerpts from the letter I have just read, that I am not anxious to see every part of the United States improved. I am glad if Louisiana can build new plants and employ her people; I am glad if Arkansas can do it; I am glad if Mississippi can do it.

My point is, Mr. President, that to me it hardly seems fair that, as a matter of Federal policy, we should grant Federal funds for aid to education in the States without retaining any control over the funds whatsoever, when a particular State may be granting tax exemptions and devoting its moneys, which could be used for educational purposes, to attract the industries of other States.

I might add, Mr. President, that in the State of Connecticut it is unlawful for any town or city to grant tax exemptions to industry or to any citizen, except on the general terms provided in the statutes, and in those general terms there are no exemptions whatsoever provided for the attraction of industry.

So I say, Mr. President, that a serious question exists respecting our wisdom in passing a bill which grants money from the Federal Treasury, money collected from all the States, and allows it to be expended in the States without any control at all being retained over it.

On the other hand, Mr. President, the converse of that is that if Federal aid to education be granted, then along therewith wisdom and good judgment demand that there be some control as to expenditure, and it is that control Mr. President, that entering wedge of control, which seems to me is the thing concerning which we must be extremely careful. We must find some other way

to help those States which need funds from the Federal Treasury for education—and I am sure there are States and communities which need them—than the method adopted in the bill which is now under consideration, as I understand, in the House of Representatives.

#### NATIONAL HOUSING—STATEMENT BY SENATOR WAGNER

Mr. BARKLEY. Mr. President, we all appreciate the interest which the Senator from New York [Mr. WAGNER] has for years manifested in the question of housing. He is one of the authors of the bill now pending before the Senate of the United States. In view of his interest in and authorship of the bill, I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, a statement which has been issued by the Senator from New York in regard to the pending housing legislation, as amended by the Flanders amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ROBERT F. WAGNER, DEMOCRAT, OF NEW YORK, ON TAFT-ELLENDER-WAGNER BILL, AS AMENDED BY SENATOR FLANDERS

As one of the bipartisan sponsors of S. 866, I strongly urge that the Senate pass this comprehensive housing bill with the amendments from the Banking and Currency Committee which Senator FLANDERS reported on April 8.

Aside from the changes reflecting legislative and administrative developments over the past year, the amendments make improvements in the basic provisions of the bill. Particularly to be commended are those amendments directed at achieving improvements in housing-production methods so that costs can be reduced and private enterprise can serve a larger part of the housing need. The strengthening and expansion of the provisions for a national program of housing research and the further adaptation of credit aids to encourage mass-production methods will, I believe, facilitate the achievement of the housing goals established in the original bill. I am in thorough agreement with the greater incentives for rental housing, and believe that the provision of 4-percent, 40-year insured mortgages covering 95 percent of value for veterans' cooperatives will assure financing, with adequate safeguards, to veterans' groups interested in providing housing for their own members.

But in giving my unqualified support to these amendments, I should like to remind my distinguished colleagues that the basic principles and provisions of S. 866 remain substantially as they were in the original bill and in its predecessors, the first of which was introduced over 2½ years ago. It enunciates the same statement of policy. It is based on practically the same finding of housing needs, from 1,250,000 to 1,500,000 new dwelling units a year. It provides credit tools and other aids to enable private enterprise to take care of the need. It establishes Federal aid for local programs for slum clearance and it extends Federal subsidies to local communities providing decent housing for low-income families who cannot be adequately served by private enterprise.

Undoubtedly, we could make further improvements in this legislation if we added more time to the 4 years already given to the study, hearings, investigations, and legislative drafting which have brought us to the present point. But the housing crisis which we are endeavoring to meet has not waited.

It is still upon us in full force. It is forcing nearly 3,000,000 families to double up with in-laws and other families. It is making the slums which are the breeding ground for crime, delinquency and crime, the environment in which millions of our children are being reared. Let us begin to provide decent housing for America. Let us get some experience with comprehensive housing legislation, before we think about further refinements.

The statement of national policy contained in S. 866 declares that the general welfare and security of the Nation and the health and living standards of its people require the realization as soon as possible of a decent home and a suitable living environment for all American families. The issue before us today is the extent to which the Federal Government should go toward realization of that objective. No one can seriously question the need. And there is preponderant evidence that neither private enterprise nor the States and localities are in a position to satisfy these needs without Federal assistance. The Joint Committee on Housing authorized by this Congress came to practically unanimous agreement that private enterprise could not expand production to the extent needed or reduce costs without improved Federal aids. In a survey which I conducted in connection with the committee's work, responding mayors and governors reported none of the cities would be able to bear the full cost of providing decent housing for low-income families or of clearing slums. An article in the Wall Street Journal this week, based on a report of the American Municipal Association summarizes the financial plight of municipalities and their search for new sources of revenue with which to pay increasing costs of municipal services.

If decent housing is to be provided American families, the Federal Government will have to assist private enterprise to expand its role and it will have to aid local communities with the clearance of slums and the provision of decent housing for low-income families when private enterprise cannot serve. It is my conviction that improvement of the health and living standards alone justify the modest outlay of public funds provided in S. 866. The evils and costs of the sordid slums and of overcrowding are too great to be tolerated by a nation of our wealth and resources.

But I note also in the statement of policy that the welfare and security of the Nation are stated as reasons for establishing a national housing goal of a decent home and a suitable living environment for all American families. In this connection the reports of disorders in the capital of a sister American Republic came to my mind. According to newspaper reports, the mobs mainly responsible for the rioting came out of the slums. I am not suggesting that we are similarly faced with the dangers of such mass violence. But I am suggesting that the seeds of alien philosophies will find their most fertile soil in the slums of America, as they did in Bogotá. It is my conviction, as I am sure it is of my colleagues on both sides of the aisle who have joined in supporting this bill, that one of the best ways to sustain faith in American institutions and ideals is to offer hope to the millions of families who today live in bad housing conditions. I urge that this hope be kindled by the passage of S. 866, the Taft-Elleender-Wagner bill.

#### RECESS

Mr. WHERRY. I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 1 o'clock and 14 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 20, 1948, at 12 o'clock meridian.